

BILL NO. R-92-10-34

ANNEXATION RESOLUTION NO. R-

54-92

A RESOLUTION of the Common Council setting forth the policy of the City in regard to the Phelps Dodge/Zollner Annexation.

WHEREAS, the annexation of territory to the City of Fort Wayne is a legislative function; and

WHEREAS, the Common Council of the City of Fort Wayne is called upon in the preparation of the City budget to provide for the furnishing of municipal services to the entire City, including newly annexed areas; and

WHEREAS, the Common Council of the City of Fort Wayne has before it an Ordinance for the annexation of the Phelps Dodge/Zollner Annexation Area, more specifically described as follows, to-wit:

Part of the Southeast Quarter of Section 8, Township 30 North, Range 13 East, Allen County, Indiana, in particular described as follows, to-wit:

Commence at the Northwest corner of the Southeast Quarter of said Section 8; thence Southerly along the West line of said Southeast Quarter as situated within the right-of-way of Coliseum Boulevard South (formerly Bueter Road), a distance of 2154.61 feet to the Southwest corner of the Zollner Corporation property per Document No. 83-27434 as situated by deed North 0 degrees 02 minutes East, 488.59 feet from the Southwest corner of the Southeast Quarter of said Section 8; thence South 89 degrees 46 minutes 48 seconds East along the South line of said Zollner Corporation property, a distance of 837.04 feet; thence continuing along said Zollner South line, South 62 degrees 45 minutes 12 seconds East, a distance of 103.21 feet; thence continuing along said Zollner South line, South 81 degrees 30 minutes 41 seconds East, a distance of 32.58 feet; thence continuing along said Zollner South line, North 89 degrees 52 minutes 21 seconds East, a distance of 1067.49 feet to the Southwesterly right-of-way line of the Fort Wayne Union Railroad; thence along said Southwesterly right-of-way line, North 38 degrees 03 minutes 37 seconds West, a distance of 1243.0 feet, more or less, to the Easterly common corner between said Zollner Corporation (Document No. 79-13382) and Phelps Dodge (Document No. 81-10664); thence North 56 degrees 57 minutes 20 seconds East across said Railroad, a distance of 100.37 feet to the Southerly corner of the Phelps Dodge property per Deed Record 711, pages 3-5, as situated on the Northeasterly right-of-way of said Fort Wayne Union Railroad; thence North 0 degrees 06 minutes 32 seconds East along the Easterly line of said Phelps Dodge property, a distance of 1176.55 feet, more or less, to the North line of the Southeast Quarter of said Section 8, as situated within the right-of-way of New Haven Avenue; thence Westerly along said North line, a distance of

1346.4 feet to the point of beginning, containing 73.89 Acres of land, more or less.

BE IT THEREFORE, RESOLVED BY THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA:

SECTION 1. That in the case of the Phelps Dodge/Zollner Annexation Area, it is the policy of the City of Fort Wayne to follow the provisions of Section 1.1 of Chapter 2 of the Municipal Code of the City of Fort Wayne, Indiana of 1974, as amended, with regards to the provision of non-capital and capital services to the annexation area.

SECTION 2. That it is the policy of the City of Fort Wayne to follow the annexation fiscal plan for said described territory, as prepared by the Division of Community and Economic Development which is incorporated herein. Two copies of said plan are on file in the office of the Clerk of the City of Fort Wayne and are available for public inspection as required by law.

SECTION 3. That said plan sets forth cost estimates of the services to be provided, the methods of financing these services, the plan for the organization and extension of these services, delineates the non-capital improvement services to be provided within one (1) year of annexation, the capital improvement services to be provided within three (3) years of annexation, and the plan for hiring employees of other governmental entities whose jobs will be eliminated by this annexation.

SECTION 4. That, after adoption and any and all
necessary approval by the Mayor, this Resolution shall be in
full force and effect.

C.R. Edmunt
COUNCILMEMBER

APPROVED AS TO FORM AND LEGALITY

J. Timothy McCaulay
J. TIMOTHY MCCAULAY, CITY ATTORNEY

FOUR STAR BOND
SOUTHWORTH CO. U.S.A.
25% COTTON FIBER

Read the first time in full and on motion by Edmonds, seconded by _____, and duly adopted, read the second time by title and referred to the Committee on Regulations (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Common Council Conference Room 128, City-County Building, Fort Wayne, Indiana, on _____, the _____, day of _____, 19____, at _____ o'clock _____ M., E.S.T.

DATED: 10-13-92

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Read the third time in full and on motion by Edmonds, seconded by _____, and duly adopted, placed on its passage. PASSED ~~LOST~~ by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT
TOTAL VOTES	<u>8</u>			<u>1</u>
BRADBURY	<u>✓</u>			
EDMONDS	<u>✓</u>			
GiaQUINTA	<u>✓</u>			
HENRY	<u>✓</u>			
LONG				<u>✓</u>
LUNSEY	<u>✓</u>			
RAVINE	<u>✓</u>			
SCHMIDT	<u>✓</u>			
TALARICO	<u>✓</u>			

DATED: 10-27-92

Sandra E. Kennedy
(SANDRA E. KENNEDY, CITY CLERK)
Walter E. Sharp, Deputy Clerk

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as ~~(ANNEXATION)~~ ~~(APPROPRIATION)~~ ~~(GENERAL)~~ ~~(SPECIAL)~~ ~~(ZONING)~~ ORDINANCE RESOLUTION NO. D-54-92 on the 27th day of October, 1992

ATTEST: (SEAL)

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK
Walter E. Sharp, Deputy Clerk

Thomas P. Henry
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 28th day of October, 1992, at the hour of 3:00 o'clock P, M., E.S.T.

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK
Walter E. Sharp, Deputy Clerk

Approved and signed by me this 2nd day of November, 1992, at the hour of 9:15 o'clock A M., E.S.T.

Paul Helmke
PAUL HELMKE, MAYOR

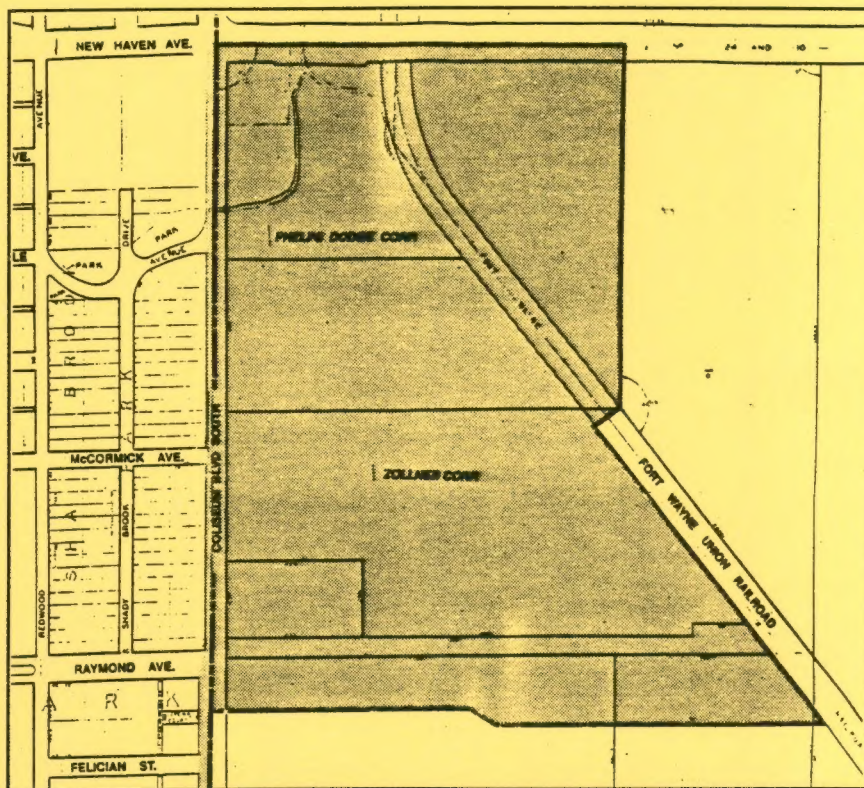
FISCAL PLAN

CITY OF FORT WAYNE
PAUL HELMKE, MAYOR

October 1992

Phelps Dodge /
Zollner Voluntary
Annexation

COMMUNITY & ECONOMIC
C&ED
DEVELOPMENT



ADMINISTRATION AND POLICY DIRECTION

Paul Helmke
Mayor
City of Fort Wayne

Greg Purcell, Director
Community and Economic Development

Fort Wayne City Plan Commission

Melvin Smith, President
Yvonne Stam, Voce President
Robert Hutner, Secretary
Cletus Edmonds
Charles Layton
David Ross
John Shoaff
Stephen Smith
Robert Wright

RESEARCH AND PREPARATION

Gary Stair, Senior Planner
Pamela Holocher, Planner II

INTRODUCTION

On October 13, 1992 the City Council received a petition from Phelps Dodge Industries, Inc. and Zollner Corporation for the annexation of approximately 74 acres of land east of Coliseum Boulevard.

The Phelps Dodge/Zollner Voluntary Annexation satisfies the criteria of the Indiana State Statutes. This plan describes the area to be annexed and summarizes the financial impact this annexation will have upon the City.

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SECTION I

BASIC DATA

A. LOCATION

The area being petitioned for voluntary annexation is bounded on the north by New Haven Avenue on the east by the eastern line of Tract 16, Section 8 of Adams Township and the Fort Wayne Union Railroad on the south by the southern line of Tract 88, Section 8 of Adams Township and on the west by the Fort Wayne city limits all in Adams Township (See Figure 1).

B. SIZE

The Phelps Dodge\Zollner Annexation area contains approximately 74 acres.

C. POPULATION

Using 1990 Census of Population and Housing data the Phelps Dodge\Zollner area has a population of 0 persons.

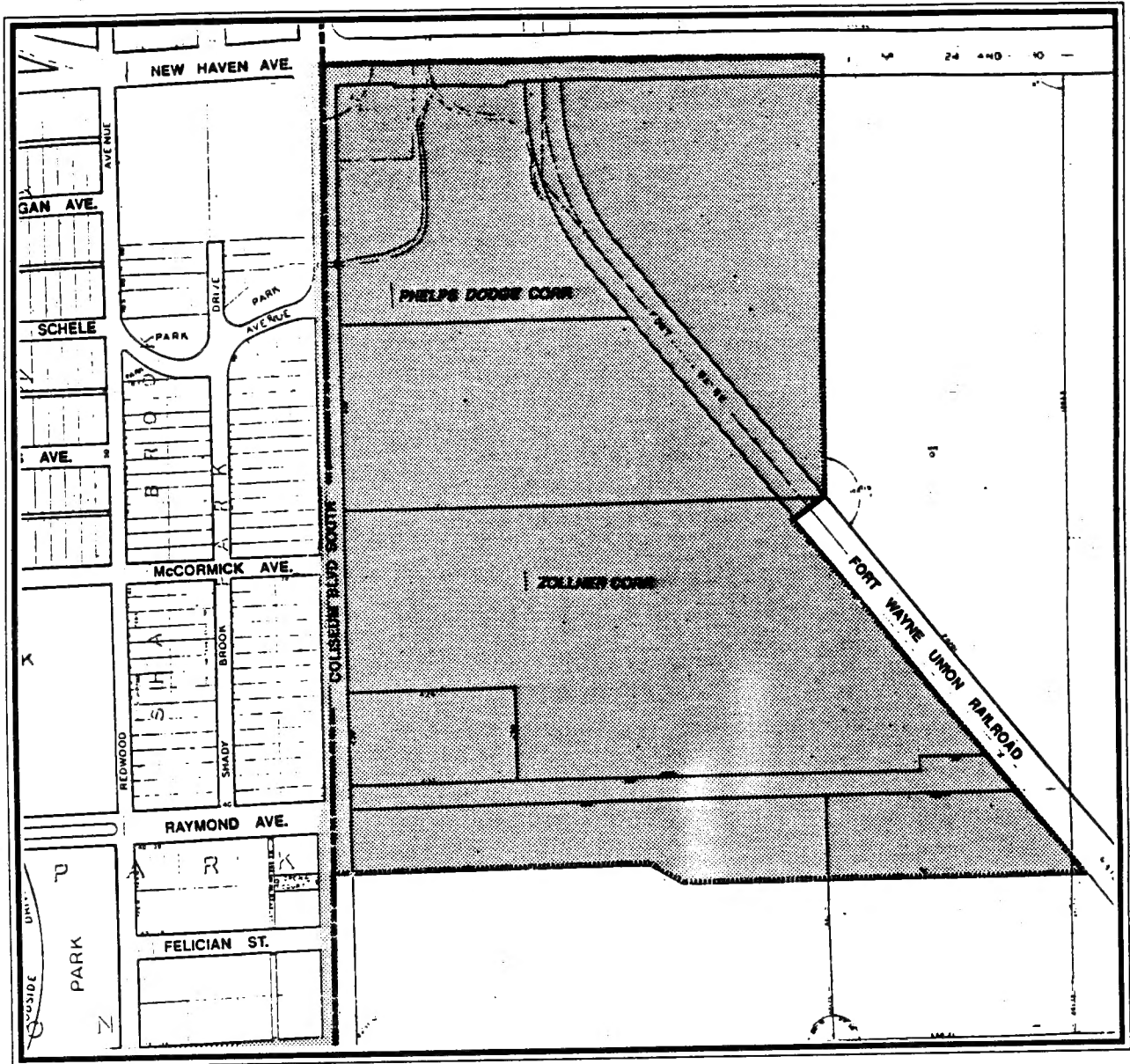
D. BUILDINGS

Industrial Buildings 5 structures

E. PATTERNS OF LAND USE

	<u>Acres</u>	<u>Percent</u>
Industrial	64.0	86.6%
Right-of-way	7.0	9.5%
Vacant	2.9	3.9%
	<hr/>	<hr/>
TOTAL	73.9	100.0%

PHELPS DODGE / ZOLLNER VOLUNTARY ANNEXATION



Location Map

F. ZONING

The Phelps Dodge\Zollner Annexation area currently contains one zoning classification. Upon annexation, this area will be under jurisdiction of the City Plan Commission and the zoning classification will be as follows:

<u>County Zoning Classification</u>	<u>City Zoning Classification</u>
I -3 Heavy Industrial	M3 Heavy Industrial Dist

G. ASSESSMENT

\$ 10,473,300 (Based on the Adams Township assessment records as of June, 1992)

H. NET TAX RATE (1991 PAYABLE 1992)

Existing (Adams Township PTC):	\$ 6.259119
After Annexation (Fort Wayne/Adams):	\$ 8.164464
Increase:	\$ 1.905345 (30.4 percent increase)

I. COUNCIL DISTRICT

The Phelps Dodge/Zollner Annexation area will initially be assigned to City Council District 1, subject to any later statutorily-required reapportionment.

SECTION TWO

THE COMPREHENSIVE ANNEXATION PROGRAM

The annexation of the Phelps Dodge/Zollner area is part of a larger, comprehensive annexation program that was promulgated in a report prepared by the Department of Community Development and Planning in 1975 and which was subsequently updated in 1976. The Annexation Policy and Program Study was the culmination of a year and a half of extensive study and is used as a policy guide for the City's annexation program. The report recommends that "all urban land contiguous to the City Limits should become part of the City" as should "all non-urban land required to complement the annexation of urban land and provide the ability to control and manage urban growth". The Phelps Dodge/Zollner annexation area met this criteria in the City's plan and was recommended for annexation.

SECTION THREE

STATE LAW REQUIREMENTS

State law stipulates that if an area is one-eighth contiguous to the City, it can be annexed voluntarily if 51 percent of the property owners in the territory sought to be annexed, or owners of 75 percent of the total assessed value of the land petition for an ordinance annexing the area.

The Phelps Dodge/Zollner area meets the contiguity requirements in that it is over one-eighth (12.5%) contiguous to the City of Fort Wayne, being 26.7 percent contiguous to city boundaries. The area also meets the second requirement, as more than 51 percent of the property owners and owners of more than 75 percent of the total assessed value in the area have petitioned for annexation.

Therefore, the Phelps Dodge/Zollner Annexation complies with the relevant state law requirements.

SECTION FOUR

MUNICIPAL SERVICES

This section of the Fiscal Plan forecasts the costs and methods of financing services for the Phelps Dodge/Zollner Annexation area. The Plan also describes how and when the City plans to extend non-capital and capital improvements. As will be seen, the explanations of the above provisions satisfy the requirements of Indiana State Law.

As required by state law, the annexation area will receive planned services of non-capital nature in a manner equivalent in standard and scope to those non-capital services provided to areas within the corporate boundaries that have similar topography, patterns of land use, and population density. In addition, the annexation area will receive services of a capital improvement nature in the same manner as those services provided to areas within the corporate boundaries that have similar topography, patterns of land use, and population density.

The City of Fort Wayne has adopted uniform service standards within its corporate limits to guarantee that the annexation area will receive non-capital and capital services in a manner equivalent in standard and scope to other comparable areas within the corporate boundaries of the City.

A. POLICE

The services provided by the Fort Wayne Police Department include the prevention of crime, the detection and apprehension of criminal offenders, assistance for those who cannot care for themselves or who are in danger of physical harm, resolution of day-to-day conflicts among family, friends, and neighbors, and the creation and maintenance of a feeling of security in the community. The Police Department is involved in legal work, such as participation in court proceedings and protection of constitutional rights. It is also responsible for the control of traffic and the promotion and preservation of civil order.

District 7 will be expanded to cover the Phelps Dodge/Zollner Annexation area. The Police Department keeps a record of the percentage of personnel and equipment necessary for the City's annexation program, and has determined that additional personnel are not required for this particular annexation. Due to the fact that there are no residential properties in the proposed annexation area and its close proximity to the city limits, the cost to provide police protection to the Phelps Dodge/Zollner Annexation area will be minimal and will be handled by the present Police Department budget. Funding for police services is

primarily derived from local property taxes through the General Fund.

CAPITAL COST: \$ 0

ESTIMATED ANNUAL COST: \$ 0

B. FIRE DEPARTMENT

The Fort Wayne Fire Department will be responsible for providing all fire protection services to the Phelps Dodge/Zollner Annexation area immediately upon annexation. These services include, but are not limited to, full fire suppression activities, fire prevention activities, emergency medical support response on life hazards, general hydrant maintenance, emergency hazardous materials response, public education and public relations services, and fire investigation services. Primary response for the Phelps Dodge/Zollner annexation area will come from Station #9 at 2530 East Pontiac Street. There is (1) class A pumper at Station #9.

Costs for providing service to the area were derived by multiplying a cost per call figure of \$1,050 by the number of estimated runs to the area in one year. The Fort Wayne Fire Department has estimated that there will be approximately 2 calls annually. Based on 2 calls, the total cost would be calculated at \$2,100 per year.

CAPITAL COST: \$ 0

ESTIMATED ANNUAL COST: \$2,100

C. EMERGENCY MEDICAL SERVICE

Presently, the Three Rivers Ambulance Authority is the only provider of ambulance service to City residents. The Phelps Dodge/Zollner Annexation area will receive full advanced life support ambulance service immediately upon annexation.

A number of ambulances are stationed throughout the City 24 hours a day. Upon receiving a request for service from the annexation area, the ambulance closest to the area will be dispatched. In addition, for some emergencies, such as heart attacks, the Fort Wayne Fire Department will provide extra assistance. Primary assistance will come from the previously described Fire Station #9. The Fire Department trains a number of its personnel so that each fire station has an emergency medical technician on duty at all times.

The method of financing Emergency Medical Services is based on user fees. The charges for ambulance service are shown below:

1. \$120 plus \$5 per loaded mile for non-emergency transfer scheduled 24 hours in advance.
2. \$170 plus \$5 per loaded mile for non-scheduled, non-emergency transfers.
3. \$380 plus \$7.50 per loaded mile for emergencies for all City and non-City residents.

This method of financing permits service to be extended to the annexation area with its existing budget, while no additional manpower or equipment will be needed to service the annexation area.

CAPITAL COST: \$0

ESTIMATED ANNUAL COST: \$0

D. Solid Waste Disposal

The City of Fort Wayne does not provide garbage collection to industrial and commercial areas. Likewise, no garbage collection service will be provided to the Phelps Dodge/Zollner property.

CAPITAL COST: \$ 0

ESTIMATED ANNUAL OPERATING COST: \$ 0

E. Traffic Control

The City's Traffic Engineering Department will assume responsibility for traffic control in the annexation area immediately after the effective date of annexation. Some of the services that can be provided by the department are surveys and investigations of traffic conditions and problems. In addition, the department provides installation and maintenance of traffic control devices such as traffic lights and control signs.

It has been determined by the Traffic Engineering Department that no additional signs will be needed in the Phelps Dodge/Zollner Annexation area. Also, the department will not require additional personnel to perform its services to the Phelps Dodge/Zollner Annexation area.

CAPITAL COST: \$ 0

ESTIMATED ANNUAL COST: \$ 0

F. STREETS AND ROADS

The incorporation of the annexation area will add .2 miles of streets to the City street system. Of this total, .2 miles are classified as arterial streets in fair condition. The Fort Wayne Street Department will be responsible for the general maintenance of all the streets in the annexation area immediately upon annexation. General maintenance includes snow and ice removal, and surface maintenance. The Street Engineering Department will provide engineering services and construction supervision for all streets, alleys and sidewalks that will be constructed within the annexation area. The provision of these services to the annexation area will not require any additional personnel or equipment, and will be similar to those services already provided to the rest of the City.

The average cost of general street maintenance is \$5,912 per mile of street per year, so the annexation will cost the City approximately \$1,182 per year in street maintenance costs. The source of funding for street maintenance is the Street Department's budget which is composed of funds from the Motor Vehicle Highway (MVH) Program. The Street Engineering Department funds come from the Motor Vehicle Highway, Federal Aid Urban (FAU) and Local Arterial Roads and Streets (LARS) Programs.

Besides the maintenance service just discussed, the Street Department will improve streets upon receipt of a petition from the property owners. Arterial and often collector streets can be improved with funding from accounts such as FAU and LARS.

CAPITAL COSTS: \$ 0

ESTIMATED ANNUAL COST: \$ 1,182

G. PARKS AND RECREATION

The Phelps Dodge/Zollner Annexation area is located within the New Haven/Adams Township Park District. This area will continue to be served by the park district subsequent to the effective date of annexation. Property owners within the area will continue to support this district through the park district tax.

CAPITAL COST: \$0

ESTIMATED ANNUAL COST: \$0

H. WATER

Water service is already provided to the proposed annexation

area. The City will provide engineering services as needed to this area upon annexation.

CAPITAL COST: \$0

ESTIMATED ANNUAL COST: \$0

I. FIRE HYDRANTS

The City of Fort Wayne pays the Fort Wayne Water Utility \$221.26 annually for each fire hydrant located within the City. There are five fire hydrants located within public right-of-way in the annexation area. Therefore, the City will pay the water utility \$1,106 per year, with funding supplied from the General Fund.

CAPITAL COST: \$ 0

ESTIMATED ANNUAL COST: \$1,106

J. SANITARY SEWERS

The Fort Wayne Department of Water Pollution Control (WPC) presently provides sanitary sewers to the annexation area. The City will provide engineering services as needed to this area upon annexation.

CAPITAL COST: \$0

ESTIMATED ANNUAL COST: \$0

K. STORM SEWERS

Upon annexation the Department of Water Pollution Control will consider storm sewer installation upon petition by concerned property owners. The City will provide engineering services for such a project. Certain storm drainage improvements may be funded from the City's Storm Water Management Program. Emergency and routine maintenance of public drainage systems will be the responsibility of the City's Sewer Maintenance Department after annexation for drainage systems which are up to City standards.

CAPITAL COST: \$0

ESTIMATED ANNUAL COST: \$0

L. STREET LIGHTING

It is the goal of the City of Fort Wayne Street Lighting

Department to light every unlit intersection within the City limits, to reduce night accidents, facilitate traffic flow, aid in police protection and inspire community spirit and growth. Therefore, the City will place City-standard lights at all intersections within the annexation area that do not have them, within three years of the effective date of annexation. Since there is only one intersection in the area proposed for annexation and there is a street light at that location, the City will not be responsible for the installation of any new lighting within the proposed annexation area.

The City will, however, purchase existing lighting being rented from Indiana and Michigan Power Company that is within public right-of-ways, immediately upon annexation. The energy and maintenance costs will then become the responsibility of the City of Fort Wayne. Although there are five street lights located within the proposed annexation area, these lights are already owned and maintained by the City of Fort Wayne. Therefore, there will be no additional costs for street lighting due to the annexation of this area.

CAPITAL COST: \$ 0

ESTIMATED ANNUAL COST: \$ 0

M. LIABILITY FOR TOWNSHIP DEBT

State law (36-4-3-10) mandates the apportionment of debt from the township upon annexation. Using the 1991 payable 1992 Adams Township fire debt tax rate of \$.0447 and the lease payment rental rate of .123, it is estimated that the City will incur an annual liability for the Township's bonded indebtedness of approximately \$17,564.

The liability will be listed as an annual capital expenditure in the Financial Summary and Recommendation of this fiscal plan beginning in the year 1993.

ESTIMATED ANNUAL COST: \$17,564 (Annually until debt retired)

N. ANIMAL CONTROL

The Phelps Dodge/Zollner Annexation area is located within the south district of the Fort Wayne Animal Control Department. Currently, the south district is not at capacity. Therefore, costs would be negligible to provide this service to the area,

CAPITAL COST: \$0

ESTIMATED ANNUAL COST: \$0

O. ADMINISTRATIVE SERVICES

All administrative functions of the City will be available to the Phelps Dodge/Zollner Annexation area immediately upon the date of annexation. These services include, but are not limited to, the Law Department, the City Plan Commission, the Mayor's Office, the Board of Works, the Metropolitan Human Relations Department, the City Clerk's Office, the Citizen's Advocate Office, etc. General administration includes all of the regulatory and program functions of the various City departments. When the area is annexed, City departments will be notified and will expand their jurisdictional areas accordingly.

CAPITAL COST: \$0

ESTIMATED ANNUAL COST: \$0

SECTION FIVE

PLAN FOR HIRING GOVERNMENTAL EMPLOYEES DISPLACED BY ANNEXATION

It is not anticipated that, due to the annexation of the Phelps Dodge/Zollner area, any governmental employees will be eliminated from other governmental agencies. However, if any governmental employee is displaced as a result of this annexation and makes application with the City of Fort Wayne for employment within thirty days after displacement, such employee will be treated as if the employee were a City employee on "lay-off" status for purposes of hiring for any vacant position similar to the government position from which the individual was displaced.

SECTION SIX

FINANCIAL SUMMARY AND RECOMMENDATION

The purpose of this section is to report the revenues and expenditures from the proposed Phelps Dodge/Zollner Annexation. This section will also provide a five-year summary of the expenditures compared with the revenues.

A. REVENUES

Property taxes are the main source of revenue to be received from the Phelps Dodge/Zollner Annexation area. Property taxes are computed from the gross amount of assessed valuation in the area which can be obtained from the Office of the Adams Township Assessor. The formula for computing tax revenue is shown in the following table:

TABLE 1
TAX REVENUE FORMULA

$$\frac{V}{100} (T) = TR$$

WHERE: V = Assessed Valuation
 T = Tax Rate Difference
 TR = Tax Return

The total assessed valuation of the Phelps Dodge/Zollner Annexation area is \$10,473,300. Two sets of revenue projections have been calculated for the proposed annexation. The first revenue projection takes into account the assumption that the area will receive Fort Wayne Urban Enterprise Zone designation. If Urban Enterprise Zone designation is denied by the State Enterprise Zone Board, the property owners will receive a tax abatement pursuant to I.C. 36-4-3-8.5. The second revenue projection assumes that the property owners will receive a two-thirds abatement of the City portion of property taxes in the first year of annexation and a one-third abatement in the second year.

If the annexation area receives Urban Enterprise Zone designation, a portion of its assessed value will be abated for property tax purposes. Subtracting \$3,262,518 in inventory assessed value, the adjusted assessed value becomes \$7,210,782. Property tax revenue for 1992 can be determined by multiplying the Fort Wayne/Adams Township municipal tax rate by the adjusted assessed value of the proposed annexation area, giving a total property tax revenue of \$207,036 (Table 2 details the components of this Tax Rate). Using a 3.75 percent annual rate of inflation the property tax revenue for 1994, the first year taxes would be due after annexation, would be \$222,855. (A portion of this revenue would be supplied from the State Property Tax Relief Fund).

In the event Urban Enterprise Zone designation is denied, property owners will receive an abatement of property taxes. By applying the total taxable assessed valuation of \$10,473,300, to the City tax rate, the total property tax revenue becomes \$300,709. Using a 3.75 annual rate of inflation, the property tax revenue for 1994, the first year taxes would be due after annexation would be 323,685. If we apply a sixty six (66) percent abatement to this figure the net revenue figure for 1994 becomes \$110,053. (A portion of this revenue would be supplied from the State Property Tax Relief Fund). Likewise, if we apply a thirty three (33) percent abatement to calculate property taxes in 1995, the net revenue figure becomes \$225,002.

This annexation will also enable the City to receive additional money from the Motor Vehicle Highway (MVH) and from the Local Arterial Roads and Streets (LARS) Funds. These funds are allocated based on street miles. In 1991, the City received \$5,073 per street mile from the Motor Vehicle Highway (MVH) Fund and \$2,035 from the Local Arterial Roads and Streets (LARS) Fund. The annexation area will add .2 miles to the City's street system. Therefore, the City will receive an additional \$1,015 from Motor Vehicle Highway (MVH) and an additional \$407 from Local Arterial Roads and Streets (LARS) because of the Phelps Dodge Annexation. These funds will be received annually beginning one year after the effective date of annexation.

TABLE 2
TAXING DISTRICT RATE

Corporation General	\$1.4990
Corporation Debt Service	.3465
Firemen Pension	.1421
Policemen Pension	.1170
Fire	.7395
Redevelopment General	.0141
Sanitary Officers Pension	\$.0139
	<hr/>
	\$2.8712

In addition to property taxes and highway funds, the City receives revenues from the Community Development Block Grant, the Cigarette Tax, the County Option Income Tax (COIT), and the Alcoholic Beverage Tax. Some of these funds are based in part on the City's population and some are based on the tax levy.

B. EXPENDITURES

Expenditures which were reported in the section on Municipal Services are summarized in Table 3. Capital costs are one time expenditures, while, operating costs are continuing expenses. Since the needs of the annexation area must be treated equally with the needs of other similar areas in Fort Wayne, all capital improvement projects must follow routine city procedures which often require petitioning.

Table 3, below details the costs that will be incurred by each department upon the annexation of the Phelps Dodge/Zollner area.

TABLE 3
EXPENDITURES

<u>DEPARTMENTS</u>	<u>CAPITAL COSTS</u>	<u>OPERATING COSTS</u>
Police Department	\$ 0	\$ 0
Fire Department	0	2,100
EMS	0	0
Solid Waste Disposal	0	0
Traffic Control	0	0
Streets	0	1,182
Parks	0	0
Water	0	0
Fire Hydrants	0	1,100
Sanitary Sewer	0	0
Storm Sewer	0	0
Street Lighting	0	0
Liability For Township Debt (Annually)	17,564	0
Animal Control	0	0
Administrative Functions	0	0
TOTALS	\$ 17,564	\$ 4,382

C. FIVE YEAR SUMMARY

The Five Year Summary shows the projected expenditures compared with the tax revenues expected in the Phelps Dodge/Zollner Annexation area for the first five years after it is incorporated into the City of Fort Wayne.

The summary automatically includes for each of the five years a 5 percent inflation factor for municipal expenditures and a 3.75 percent rate of inflation for municipal revenues.

Property tax revenue from the annexation area will not be collected until 1994. Assuming the area is annexed in December of 1992, assessment will not occur until March of 1993, with revenues being collected in 1994. Since revenues are not collected for one year after the effective date of annexation, the City will experience a loss of \$23,043 in 1993.

Tables 4 and 5, detail the revenues minus the expenses for the Phelps Dodge/Zollner Annexation area during the first five years after the effective date of annexation. Table 4 shows the net revenue projections if the area is approved for Urban Enterprise Zone designation while Table 5 displays the net revenue projections if the Urban Enterprise Zone designation is denied and the area receives tax abatement pursuant to I.C. 36-4-3-8.5.

TABLE 4
FIVE YEAR SUMMARY

	EXPENDITURES	PROPERTY TAX REVENUE	MVH & LARS	BALANCE
1993	\$23,043			\$ - 23,043
1994	24,195	\$222,855	\$ 1,422	+200,082
1995	25,405	231,212	1,422	+207,229
1996	26,676	239,883	1,422	+214,629
1997	28,009	248,878	1,422	+222,291
TOTALS	\$ 127,328	\$ 942,828	\$ 5,688	\$ 821,188

TABLE 5
FIVE YEAR SUMMARY

	EXPENDITURES	PROPERTY TAX REVENUE	MVH & LARS	BALANCE
1993	\$23,043			\$ - 23,043
1994	24,195	\$110,053	\$ 1,422	+ 87,280
1995	25,405	225,002	1,422	+201,019
1996	26,676	348,417	1,422	+323,163
1997	28,009	361,483	1,422	+334,896
TOTALS	\$ 127,328	\$ 1,044,955	\$ 5,688	\$ 923,315

D. RECOMMENDATION

This Fiscal Plan, which meets the state law requirements that a fiscal plan be prepared, shows that the Phelps Dodge/ Zollner Voluntary Annexation is in accordance with the applicable state statutes. Therefore, it is recommended that after the passage of the annexation ordinance and its approval by the Mayor, this area should be annexed by the City of Fort Wayne on December 31, 1992.

DIGEST SHEET

TITLE OF ORDINANCE Phelps Dodge/Zollner Resolution

DEPARTMENT REQUESTING ORDINANCE Community & Economic Development

SYNOPSIS OF ORDINANCE Commits city to provide services in manner required by State law.

Q-92-10-34

EFFECT OF PASSAGE City will be in compliance with State law.

EFFECT OF NON-PASSAGE City will not be in compliance with State law.

MONEY INVOLVED (Direct Costs, Expenditures, Savings) To be explained by the Fiscal Plan which will be prepared by the Division of Community and Economic Development.

(ASSIGN TO COMMITTEE) _____

BILL NO. R-92-10-34

REPORT OF THE COMMITTEE ON
REGULATIONS

CLETUS R. EDMONDS, CHAIR
MARK E. GIAQUINTA, VICE CHAIR
RAVINE, SCHMIDT

WE, YOUR COMMITTEE ON _____ REGULATIONS _____ TO WHOM WAS

REFERRED AN (~~ORDINANCE~~) (RESOLUTION) of the Common Council
setting forth the policy of the City in regard to the
Phelps Dodge/Zollner Annexation

HAVE HAD SAID (~~ORDINANCE~~) (RESOLUTION) UNDER CONSIDERATION
AND BEG LEAVE TO REPORT BACK TO THE COMMON COUNCIL THAT SAID
(~~ORDINANCE~~) (RESOLUTION) _____

DO PASS

DO NOT PASS

ABSTAIN

NO REC

C.R. Edmonds
M.E. Giaquinta
Ravine Schmidt

DATED: 10-27-92.

Sandra E. Kennedy
City Clerk